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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/805,391	03/13/2001	Galit Kenigsberg	NEAT 17.481	1675

530 7590 10/28/2004

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EXAMINER

DIXON, THOMAS A

ART UNIT	PAPER NUMBER
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3629

DATE MAILED: 10/28/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/805,391

Applicant(s)

KENIGSBERG ET AL.

Examiner

Thomas A. Dixon

Art Unit

3629

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 13 March 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-33 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-33 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

Art Unit: 3629

DETAILED ACTION

Claim Objections

1. Claims 1, 4, 5, 8, 11, 12, 14, 24, 25, 27, 30, 31, 33 are objected to because of the following informalities:

As per Claims 1, 11, 12, 14, 30, 31, 33.
The slashes are objected to.

As per claims 4, 24, 25
the bracketed text is objected to.

As per claim 5
the bracketed text is objected to.

As per claims 8, 27
the term "vs." is objected to, as makes it unclear if the claim ends and also what "joint" is,
further the term "financial status" is unclear as to if it refers to the traveler's financial status, or the
airline's financial status.

Appropriate correction is required.

Claim Rejections - 35 USC § 112 2nd Paragraph

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly
claiming the subject matter which the applicant regards as his invention.

2. Claims 5 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to
particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The "determining the latest time" lacks antecedent basis.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of
matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the
conditions and requirements of this title.

3. Claims 20, 23-27, 29-33 are rejected under 35 U.S.C. 101 because the claimed invention is
directed to non-statutory subject matter. The claimed invention is not within the technological arts.

4. As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress
the power to "[p]romote the progress of science and useful arts, by securing for limited times to
authors and inventors the exclusive right to their respective writings and discoveries". In

Art Unit: 3629

carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

5. Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

6. This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

Art Unit: 3629

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

7. The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

8. In the present application, Claim 20, 23-27, 29-33 do not explicitly claim use or manipulation of or by any technological structure and are seen not to be in the technological arts.

Claim Interpretation

9. Claims directed to an Apparatus must be distinguished from the prior art in terms of structure rather than function, *In re Danly* 263 F.2d 844, 847, 120 USPQ 582, 531 (CCPA 1959).

A claim containing a "recitation with respect to the manner in which a claimed apparatus is intended to be employed does not differentiate the claimed apparatus from a prior art apparatus" if the prior art apparatus teaches all the structural limitations of the claim. *Ex parte Masham*, 2 USPQ2d 1657

Art Unit: 3629

(bd Pat. App. & Inter. 1987). Thus the structural limitations of claims 1, including a communications platform, rules system, computer based requests are disclosed in Walker et al (6,112,185) as described herein. Also as described the limitations of the claim do not distinguish the claimed apparatus from the prior art.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

10. Claims 1-33 are rejected under 35 U.S.C. 102(e) as being unpatentable over Walker et al (6,112,185).

As per Claim 1.

Walker et al ('185) discloses:

traveler communication platform, see figure 2 (240);
rule-based processing system, see figure 2 (700);
computer-based requests, see (800); and
a source of alterable products, see (400, 500, 600).

As per Claim 2, 21, 22.

Walker et al ('185) further discloses online systems to perform travel planning, see column 2, lines 15-16.

As per Claim 3, 23.

Walker et al ('185) further discloses terms and conditions possible to match requests, see column 2, lines 55-64 and column 3, line 65 – column 4, line 14.

As per Claim 4, 24.

Walker et al ('185) further discloses terms and conditions include a price calculated using current inventory, pricing and revenue information and historical patterns, see column 2, lines 55-64 and column 3, line 65 – column 4, line 14.

As per Claim 5, 25.

Walker et al ('185) further discloses determining the latest time, see column 5, lines 53-57.

As per Claim 6, 26.

Art Unit: 3629

Walker et al ('185) further discloses if no seats are available, the system scans an existing booked travelers lists and decides the order in which travelers should be approached using rules, see column 5, lines 27-51.

As per Claim 7, 27.

Walker et al ('185) further discloses the alterable products comprise one or more of the following restrictions: a free ticket, a rebate or certificate for future travel (financial reimbursement) or next available flight (rebooking), see column 5, lines 38-48.

As per Claim 8..

Walker et al ('185) further discloses determining the order to approach travelers based on the price and time before departure, see column 1, lines 28-38 and column 3, lines 11-51.

As per Claim 9, 28.

Walker et al ('185) further discloses the system automatically coordinates newly available seats, see column 3, lines 1-10.

As per Claim 10, 29.

Walker et al ('185) further discloses travelers can retrieve modification fees in advance, see column 3, lines 1-31.

As per Claim 11, 30.

Walker et al ('185) further discloses the system can accept or reject the modification request and fee based on personalization, see column 3, lines 1-46.

As per Claim 12, 31.

Walker et al ('185) further discloses system selects travelers to cancels based on personalization or market promotion considerations, see column 3, lines 1-64.

As per Claim 13, 32.

Walker et al ('185) further discloses offering incentives based on personalization, estimated profit, list price, market promotion, number of travelers willing to give up seats, see column 3, lines 1-64.

As per Claim 14, 33.

Walker et al ('185) further discloses requesting travelers interactively review options including willing to be approached to give away product for specified incentives, see column 3, lines 1-50.

As per Claim 15.

Walker et al ('185) further discloses the travelers can order a travel packaged product, see column 3, lines 1-10.

As per Claim 16.

Walker et al ('185) further discloses alteration of entire travel packages, see column 3, lines 32-64.

As per Claim 17.

Walker et al ('185) further discloses the system actively approaches customers and offers them a product or another service and the associated terms and conditions, see column 3, lines 32-64.

As per Claim 18.

Walker et al ('185) further discloses the price offered will be computed according to personalization of the customers being given the offer, see column 3, lines 1-10.

Art Unit: 3629

As per Claim 19.

Walker et al ('185) further discloses the system can offer packages instead of separate products, see column 3, lines 11-25.

As per Claim 20.

Walker et al ('125) discloses:

receiving one or more requests from potential travelers, see figure 8A (805);
determining if seats are available, if so, booking said request, see column 2, lines 62-64;
else, generating a list of potential tickets which can be delayed, see column 3, lines 1-64;
using rules: determining a selection order to approach potential delayable tickets, said rules including determining travelers most likely to give-up their tickets, see column 3, lines 1-64;
matching said requesting travelers to the best delayable ticket, see column 3, lines 1-56;
compensating said delayed ticket traveler, see column 5, lines 28-57; and booking said matched ticket for said received request, see column 1-10.

As per Claim 21.

Walker et al ('185) further discloses online systems to perform travel planning, see column 2, lines 15-16.

As per Claim 22.

Walker et al ('185) further discloses online computing systems to perform travel planning, see column 2, lines 15-16.

Prior Art Made of Record

11. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

WO 01/71669 is the closest foreign art that teaches ticket sales by auction to optimize profits for the owners profits, and a secondary market for exchange of tickets for performances rather than travel.

Popkin is the closest NPL that teaches bumping rules, compensating volunteers, and airline reluctance to bump first class and business-class.

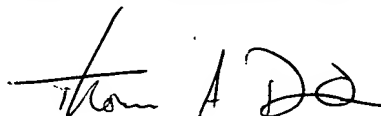
Art Unit: 3629

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Thomas A. Dixon whose telephone number is (703) 305-4645. The examiner can normally be reached on Monday - Thursday 6:30 - 4:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on (703) 308-2702. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

A handwritten signature in black ink, appearing to read 'Thomas A. Dixon', with a stylized flourish at the end.

Thomas A. Dixon
Primary Examiner
Art Unit 3629

October 04